

HB 5607 — Retirement

by Government Operations Appropriations and Rep. Hays (SB 2700 by Policy and Steering Committee on Ways and Means and Senator Alexander)

The bill, relating to retirement:

- Establishes the employer-paid contribution rates for the Florida Retirement System.
- Reduces the fee charged to employers participating in the Florida Retirement System for the administrative and educational costs associated with the defined contribution program.
- Sets the interest rate on the Deferred Retirement Option Program (DROP) account accumulations at 3% per year (rather than 6.5% per year) for members entering the DROP on or after July 1, 2010.
- Requires the state actuary to conduct a special study on the funding of the DROP.

If approved by the Governor, these provisions take effect July 1, 2010.

Vote: Senate 32-6; House 78-42